

## Message Text

UNCLASSIFIED

PAGE 01 STATE 023893  
ORIGIN TRSE-00

INFO OCT-01 AF-10 ISO-00 L-03 EB-08 COME-00 CPR-01  
OMB-01 /024 R

FSE  
TX-387

DRAFTED BY TREASURY/OS/MFIELD/IMW  
APPROVED BY STATE L/T :AROVINE  
TREASURY/OS/THORST  
TREASURY/OS/HDROSENBLOOM  
AF/W/BSKIRKPATRICK

-----088919 301524Z /47

P 301417Z JAN 78  
FM SECSTATE WASHDC  
TO AMEMBASSY ABIDJAN PRIORITY

UNCLAS STATE 023893

E.O. 11652: NA

TAGS:EFIN

SUBJECT: DOUBLE TAXATION TREATY

REF :ABIDIJAN 11651

1. WE WOULD BE GLAD TO NEGOTIATE AN INCOME TAX TREATY  
WITH GOIC, IF REASONABLE PROSPECTS FOR AGREEMENT EXIST.  
TWO COPIES OF A U.S. MODEL INCOME TAX TREATY, WHICH  
EMBASSY MIGHT WANT TO GIVE TO APPROPRIATE GOIC TAX  
OFFICIALS FOR THEIR CONSIDERATION, AIRPOUCHED TODAY.

2. MODIFICATIONS CAN OF COURSE BE MADE IN THE MODEL IN  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 023893

THE COURSE OF NEGOTIATION, BUT IT IS IMPORTANT THAT GOIC  
UNDERSTAND THAT U.S. CANNOT AGREE TO A TAX INCENTIVE FOR  
U.S. INVESTORS IN IVORY COAST OR CHANGE ITS FOREIGN TAX  
CREDIT TO AN EXEMPTION OF FOREIGN SOURCE INCOME BY TREATY.  
DEVELOPING COUNTRIES TYPICALLY WANT A "TAX-SPARING"  
CREDIT OR OTHER INVESTMENT INCENTIVE IN A TREATY WITH AN  
INDUSTRIALIZED COUNTRY. THE U.S. SENATE HAS CONSISTENTLY  
REFUSED TO APPROVE SUCH AN INCENTIVE, AND THERE IS NO U.S.

TREATY IN EFFECT WHICH PROVIDES ONE. THIS WAS A PROBLEM  
IN U.S.-GOIC DISCUSSIONS OF AN INCOME TAX TREATY IN  
FEBRUARY 1969, SO IN INQUIRING AS TO THEIR INTEREST  
IN NEW NEGOTIATIONS, EMBASSY SHOULD EXPLAIN THAT WE ARE

STILL UNABLE TO AGREE BY TREATY TO REDUCE U.S. TAX ON U.S.  
INVESTORS IN THE IVORY COAST.

3. ON A MORE POSITIVE NOTE, GOIC MIGHT NEVERTHELESS  
BE INTERESTED IN A TAX TREATY AS A MEANS OF ASSURING  
POTENTIAL U.S. INVESTORS THAT TAXING RULES ARE CLEAR,  
THE TAXES IMPOSED ARE NONDISCRIMINATORY, AND THAT THE  
TAX AUTHORITIES OF THE TWO COUNTRIES AGREE TO CONSULT  
TO AVOID ANY DOUBLE TAXATION. EXCHANGE OF INFORMATION  
MAY ALSO BE ATTRACTIVE AS A HELP IN ENFORCING  
DOMESTIC TAX LAWS. BUT REVENUE CONCESSIONS WILL BE  
INEVITABLY UNBALANCED (MORE COSTLY TO GOIC) GIVEN  
IMBALANCE IN INVESTMENT. VANCE

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** DOUBLE TAXATION, INVESTMENTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 30 jan 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01 jan 1960  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1978STATE023893  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** OS/MFIELD/IMW  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D780044-0419  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1978/newtext/t1978017/aaaaafx.tel  
**Line Count:** 80  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** 463efce3-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN TRSE  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** 78 ABIDJAN 11651  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 22 feb 2005  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 3784518  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** DOUBLE TAXATION TREATY  
**TAGS:** EFIN, IV  
**To:** ABIDJAN  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/463efce3-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Sheryl P. Walter  
Declassified/Released  
US Department of State  
EO Systematic Review  
20 Mar 2014  
**Markings:** Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014